

CHAIRMAN HENRY A. WAXMAN
SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT
to the
NATIONAL ASSOCIATION OF COUNTIES

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I want to thank you for inviting me to join you this morning. I would like to use this opportunity to share with you my thoughts on one of the most important and difficult issues which face the Congress and the American public: the effort to amend, and strengthen, our Clean Air Act.

A great deal is at stake in the debate over clean air. In more than 100 of your largest cities, levels of air pollution are considered unhealthy.

This is no small matter. At present, nearly 150 million Americans -- more than half of our population -- now live in polluted areas. Experts agree that without tough new controls, our pollution problems will get worse, rather than better. The association of state air pollution officials say the outlook for future pollution levels is, quote "frightening."

The public health costs of continuing high pollution levels are immense. Ozone air pollution, our most pervasive problem causes lung dysfunction, coughing, wheezing, respiratory infection, and a permanent scarring of the lungs. Children and those with respiratory ailments, are particularly vulnerable. Carbon monoxide pollution is a similarly insidious problem. It interferes with the ability of blood to carry oxygen to the bodies tissues. Those with heart disease and circulatory ailments are especially at risk.

As I am sure you know all too well, state and local governments bear central responsibility for putting a program in place to achieve clean air in our urban areas. Whether you are given adequate tools by the Federal government to achieve these standards is another matter, and one that stands at the heart of the current debate. I want to come back to this issue in a minute.

Before discussing urban smog and the nonattainment program in more detail, I want to emphasize that there are other extremely serious air pollution problems that Congress is grappling with in the clean air debate.

* One major example is air toxics. Industry data indicates that more than 2.7 billion pounds of toxic chemicals are released into our air supply each year, a figure that EPA associates with thousands of pollution-related cancer deaths each year.

* Another important issue is acid rain. Lakes and forests over large parts of the nation are being overwhelmed by acidifying chemicals.

* And then, of course, is the damage we are doing to the planet itself. Scientists agree that man-made chemicals are destroying the stratospheric ozone shield that protects life on earth from the sun's dangerous ultraviolet radiation. They also agree that the current international agreement, the Montreal Protocol, is not nearly aggressive enough to stop the ozone destruction.

It is a depressing litany, but one that we are not powerless to redress. In fact, I believe strongly that with your help we can pass a strong clean air law this year that responds effectively to each of these problems.

But it will not be easy. In both the House of Representatives, and the Senate, we are now confronted with clean air proposals that, while basically sound on acid rain, will take us only half way on air toxics and urban smog, and might entirely ignore the ozone depletion problem.

On some issues, measures which take us half way represent a step forward, which can be built on with later legislative efforts. But in clean air, the movement of legislation is a major undertaking that will very likely not be repeated for many years. Hence, if we are to protect the public health, and protect our planet, we must pass a strong law this year that fully addresses all of the major issues. Moreover, a halfway program on urban smog will simply leave cities and counties with responsibility for meeting standards holding the bag, without the ability to take advantage of major pollution control opportunities passed up at the Federal level.

I'd like to focus the balance of my comments on the issue with which you are most directly involved -- the issue of urban smog. The National Association of Counties has been an active and extremely helpful player on this issue. And, believe me, it has made a difference.

With your help, we have made surprising headway in what many thought would be our most difficult area, pollution controls for motor vehicles. The outspoken support of state and local governments paved the way for an unexpected agreement between myself and full Committee Chairman John Dingell that eliminated the President's proposal for averaging of tailpipe standards, and called for new tougher tailpipe standards, mandatory onboard vapor recovery (an issue which we have been fighting over for many years), mandatory use of emission control diagnostic systems to tell drivers if their pollution controls are operating properly, and a new program for control of motor vehicle air toxics.

This is an achievement to be proud of. But the most difficult, and the most important battles, lie ahead.

A great deal is at stake in the continuing debate, especially for state and local officials who would, under all of the various bill, have responsibility for achieving clean air. The central battleground now is over whether you will be given the needed tools to make it possible to actually bring areas into compliance with air quality standards. We need your help to win that fight.

Let me be more specific. Under the President's proposal, and that is pretty much what is now pending before the Energy and Commerce Committee -- and before the Senate as well -- fundamental elements of an effective national smog control have been eliminated.

Missing from the bill now pending before the Energy and Commerce Committee are:

- * A graduated system of controls that requires factories in heavily polluted areas like New York to do more than factories in moderately polluted areas like Norfolk or Poughkeepsie. Without such a system, the program of classifying areas by the severity of their attainment problem makes little sense.

- * A program to mandate the development of lower polluting paints, solvents, and other consumer products, which are a major uncontrolled source of urban pollution. These pollution sources, which are completely beyond the reach of state and local governments, cause 27 percent of urban smog. Today, there is no incentive for manufacturers to formulate such products in ways which minimize their air pollution contribution. I support a proposal calling for a fifty percent reduction in emissions from these products.

- * A milestone system for assuring that areas remain on track toward attainment of the standards. Without such a system, areas will receive no feedback on their progress in moving toward attainment until the eve of the deadline when it is too late. This is how the existing law has been implemented and it does little to help areas respond to shortcomings in their program;

- * A program calling for control of smaller pollution sources in heavily polluted areas. The bill now before the Committee would apply mandatory controls only to pollution sources emitting 100 tons or more per year. Yet, small pollution sources are a very substantial and growing part of the pollution problem. Without Federal guidance calling for control of 25 ton sources in severely polluted areas, we might witness a bidding war where some states regulate small sources and others, willing to sacrifice air quality for economic growth, seek to attract industry through lax regulations for small facilities.

* Sensible sanctions for failure to adopt and implement effective air quality plans. The President's proposal includes draconian sanctions, such as a cut off of new drinking water hook-ups. But they are entirely discretionary. I favor a system of less onerous, but mandatory sanctions, such as highway funding limitations, and increased offset requirements. These sanctions would apply only for failure to adopt and implement an adequate air quality plan, and not for failure to attain when an area took all required steps.

These are not sexy issues. But they are crucially important if your local air quality programs are to be successful, and we are to bring clean air to the nation's cities.

I will offer an amendment at the Energy and Commerce Committee and, if necessary, on the floor of the House of Representatives, to put these key elements in place. I urge you to make this amendment your number one priority.

We will be considering this issue at Committee as early as this week, so now is the time to pull out all the stops, and do everything you can to help it succeed in Committee, and on the floor.

Let me move on to the second major issue that we need your active help on: The effort to pass a strong and effective clean fuels program.

Many of our most polluted cities will find it impossible to achieve the federal health standards without dramatic reductions in pollution from cars, trucks and buses. The needed reductions can only be achieved through cleaning (or "reformulating") the gasoline used in conventional vehicles, and through mandating the development of a new generation of clean and ultra-clean vehicles that run on low polluting fuels like natural gas, hydrogen and solar power.

The gasoline that we burn today is a complex mixture of toxic compounds. It alone causes most of our air pollution problems. In fact, aside from its reduced lead levels, today's gasoline is significantly more polluting than gasoline was 20 years ago, when the Clean Air Act first passed. It contains more toxic aromatic compounds like benzene, and evaporates faster than ever before -- causing more air pollution and greater toxic exposure to the American public.

Oil companies shifted to a more noxious mixture to save costs and raise profits. Currently no meaningful standards govern the composition of gasoline. But it does not have to be this way.

Gasoline can be made cleaner. The toxic aromatic compounds can be replaced with much cleaner alcohols or alcohol derivatives. Other changes are possible and desirable. One oil company, ARCO, is already marketing a cleaner gasoline in Southern California. For the same

price as leaded regular gas, it produces twenty percent less pollution.

Cleaner gasoline can and should be used in all cars in the nation's polluted areas. This is the single best means to reduce significantly the smog and toxic emissions from the millions of cars on the road today, including even the oldest models that have limited pollution controls.

For new cars we can do even better. New technologies are already producing clean-burning vehicles that run on low-polluting natural gas, ethanol, and methanol. By early in the next century, nearly pollution-free vehicles powered by hydrogen, electricity, and solar power should be available.

As a uniquely effective alternative for dealing with our most severe air pollution problems, clean fuels are extremely attractive. Yet clean fuels also offer compelling advantages in energy, trade, and even farm policy.

Clean fuels will reduce our dependence on foreign oil. Oil companies that reformulate gasoline can replace hundreds of millions of dollars worth of imported aromatic compounds with domestically produced alcohols and ethers, such as ethyl tertiary butyl ether (ETBE), made from corn, wheat, barley or other crops. This shift would open up major new markets for our farmers. And it would save American taxpayers millions of dollars in farm price supports.

Similar benefits can be achieved through the development of a new generation of clean-fuel vehicles. In promoting a market for clean-burning natural gas, for instance, we not only help displace foreign oil, but also give a much needed shot in the arm to domestic gas producers in Louisiana, Texas, Oklahoma, and other producing areas. And we could pave the way for a new worldwide clean car market, creating extraordinary opportunities for U.S. carmakers enjoying the advantage of America's head start in the field.

President Bush must have had these benefits in mind when he introduced his original clean air bill last summer. As its "centerpiece", he proposed mandating the production of one million clean vehicles yearly by 1997. EPA Administrator Bill Reilly called this program "the most innovative and far-reaching" component of the President's bill.

Unfortunately, the President's commitment to his proposal was short-lived. When the oil companies attacked the program in a House Subcommittee last fall, the President failed to rally Republican support and the package was gutted. After the embarrassing defeat, the White House explained that, while the President failed to make his views clear at the time, he did support the original proposal.

In recent closed-door negotiations on clean air in the Senate,

however, special interests once again made quick work of the President's original program. The so-called "compromise" program is little more than a dressed-up version of the oil company proposal put forth in the House. Under the program, reformulated gasoline would be required in only the nine most polluted cities -- and only for new cars in those cities, despite the fact that it is the oldest and dirtiest cars that can most benefit from gasoline reformulation.

Contrary to the original proposal, automakers would not be required to produce a million clean-fuel vehicles. Aside from a very limited program for certain federal and commercial fleets, there would be no new generation of vehicles burning natural gas, ethanol, or methanol, or powered by electricity.

Building on the Presidents initiative, a successful clean-fuels program should have three central elements. The first is a mandate for use of cleaner gasoline in the nation's polluted cities. This program can significantly reduce public exposure to toxics and smog, lower our oil imports, and create a market for farm products as a motor vehicle fuel.

The second component is a program calling for large commercial fleets to begin using clean vehicles in the mid-1990s. Fleet vehicles, such as taxis, garbage trucks, and delivery vans, travel twice as many miles as private vehicles, so they offer a cost-effective target for emission reductions. Also, because they are centrally fueled, they can be more easily converted to domestically produced clean fuels like natural gas and propane.

The third major element is a program calling for passenger car use of clean fuels in our most severely polluted cities beginning in the late 1990s. Only through such a change can we hope to wean our dependence on foreign oil, and bring clean air to our smoggy cities.

Congressman Bill Richardson of New Mexico will offer this amendment at the Energy and Commerce Committee and, should it fail to pass there, on the House floor. I urge you to do all you can to help it succeed.

We have worked well together in the past in developing the basic of the smog control program, and pushing successfully for stronger tailpipe standards. Now two major issues remain for us to be assured of a workable and effective clean air act that will place the burden of cleaning up on the polluting industries where it belongs, and not on the backs of state and local governments.

With your continued help, we can win our next major battles: on the Waxman Title I Amendment and the Richardson clean fuels amendment. But we have no time to waste.

That's probably enough for you to absorb on Clean Air in one

sitting. But before I close, let me touch on a few health issues your conference organizers have told me you are concerned about.

There is no question that this is a very difficult and painful time for counties with regards to health care. Your public health system is the option of last resort for more and more people every year, and I well know what a crushing burden that is becoming. Public hospital rooms are overflowing-- with the uninsured, with AIDS, with the sickness and violence related to the plague of drugs. The fine trauma networks that many of your regions have set up are disintegrating as hospitals collapse under the weight of uncompensated care. When it comes to public health, it is the counties who bear the burden of Federal budget deficits and State fiscal conservatism.

The ultimate solution to many of these problems would be securing adequate health insurance for the 37 million uninsured in this country. For several years now, Senator Kennedy and I have proposed a plan that would require employers to provide health insurance to their employees, with a public program filling in the gaps. This is an idea that has been picked up the Pepper Commission report on access to care, and their approach is one I support. Together, we have much to do to get broad public support for these long-overdue changes to the health care system.

While we move forward on broad reforms, Congress will also continue the step-by-step process of considering and passing individual health initiatives. In 1989 we made some progress in expanding the Medicaid program to more pregnant women and children. But we need to do more. During the campaign, President Bush committed to covering pregnant women and infants to 185 percent of poverty, and all poor children. I want to help him keep his commitment. We also need to do more to provide long-term care services in the home and community of the elderly and people with mental disabilities. No one should be forced into nursing homes or institutions because they lack access to more appropriate and cost-effective services where they live.

Finally, I am working on two specific initiatives that will help relieve of some of the heavy AIDS burdens your counties are bearing. First, and most pressing, we must find a way to get people to get tested, and -- if they are infected and immune-compromised -- begin early intervention drugs. If we can, we will save years of life and thousands of needless hospitalizations. We can do this by bringing people into the Medicaid system before they are completely disabled, and concentrating first on the kind of cost-efficient preventive care that will keep them healthy longer.

Second, we must improve Medicaid's reimbursement levels for hospitals that deal with a large number of AIDS patients. Everybody loses money on AIDS care. It's clear that AIDS patients in a hospital require additional of nursing care, lab tests, and ancillary services. Those hospitals who take care of a lot of AIDS patients lose a lot of

money. If we expect to keep having hospitals available for such care, we must be prepared to pay more adequately for it. Otherwise, we risk losing our entire public hospital system under the growing burden of uncompensated AIDS care.

From Clean Air to AIDS to health insurance, there is much difficult work to do. And I believe we all have a part to play, from the Federal government all the way to the private sector. The burden has been on you for too long. I think the initiatives I have proposed will more fairly distribute some of that burden, and I hope you will support me in seeking their enactment.

I thank you again for having me today, and for all your help.

I'd be happy to answer any questions.